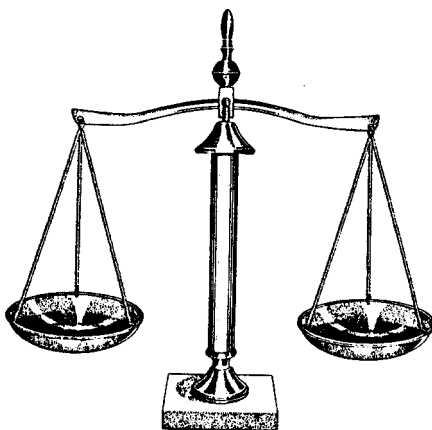




The California Taxpayers' Bill of Rights



The State Board of Equalization would like to share with you information about many of the rights you have under the new California Taxpayers' Bill of Rights. We want you to know that we will honor and safeguard those rights every time you deal with us.

Whether you ask for help in completing forms or whether you disagree with our findings in an audit, we will treat you fairly and courteously. Furthermore, you can depend on us to provide informative and responsive services designed to answer your questions and help you better understand the tax laws we administer.

We encourage you to read this brochure and to contact us if you would like additional information.

The Taxpayers' Bill of Rights



You Have the Right to Tax Information Written in Plain Language

To report your taxes correctly, you need to know and understand how the tax laws apply. The State Board of Equalization publishes regulations, pamphlets, and bulletins designed to help you. Titles and copies of these publications are available from your local Board office.

You Have the Right to Prompt and Accurate Responses

Whether you contact our district, branch, or headquarters offices in person or by telephone or letter, we will answer your questions promptly and accurately.



You Have the Right to Rely on Our Written Information and Answers

You have the right to ask us any questions about:

- The amount of taxes to pay.
- How sales and use tax applies or is handled in a specific situation.

For your protection, we encourage you to put your questions in writing. We will reply in writing, and you can rely on our written response. That is, if you rely on written advice that later is determined to be wrong, you may be excused from paying tax, interest, and penalties if:

- You relied on incorrect written information from us in response to your written request for advice on a specific transaction.
- You did not charge your customer sales tax because of our incorrect written advice.
- Your liability is related to transactions that occurred before the Board rescinded or modified in writing the advice you were given and the advice you were given was not superseded by a change in law or Board regulation or by a final decision of the court.

You Have the Right to Be Free from Harassment and Inappropriate Conduct

During all your dealings with any employee or officer of the Board, you have the right to have the law administered uniformly and to be:

- Treated fairly.
- Told the procedures or methods used.
- Given an explanation of the results of an audit and, upon request, be given a complete copy of the audit working papers.
- Free from investigations or surveillance activities not related to the administration of tax programs.

If you are injured because an employee or officer of the Board recklessly disregards procedures published by the Board, you may bring action for damages in superior court against the State of California.



You Have the Right to Confidentiality

You have the right to confidentiality in your dealings with the Board, including confidentiality concerning the information on your tax returns and any audit conducted by us.



You Have the Right to Appeal Any Audit Findings

If you disagree with the conclusions of an audit, you have the right to:

- Discuss the findings with the auditor, the

auditor's supervisor, and a representative of the Board at your local district office.

- Request and be granted a conference with a staff attorney or supervising tax auditor independent of the assessing department.
- Request and be granted a hearing before the five-member Board of Equalization.

If you disagree with the conclusions of an audit and request a conference with a staff attorney or supervising tax auditor, you have certain rights during that conference, including the right to:

- Have the conference held at a reasonable time at a Board office convenient for you.
- Receive prior notice if the conference is to be recorded and to receive a copy of the recording.
- Bring your attorney, accountant, or other representative to the conference.

Whether or not you agree with the audit findings, you are entitled, upon request, to a complete copy of the audit working papers including all spreadsheet schedules and narrative comments.



You Have the Right to an Administrative Hearing

You have the right to an administrative hearing regarding a jeopardy determination, which is a bill for immediate payment of taxes. During the hearing it is your right to try to establish that the:

- Demand for immediate payment should be delayed.
- Bill is excessive.

If the jeopardy determination accompanies a seizure of property, you have the right to request an administrative hearing to determine whether the:

- Sale of the property seized by the Board would result in irreparable injury to you.
- Board should grant your request to release all or part of the seized property.



You Have the Right to Collect Reasonable Fees and Expenses

Under certain circumstances and conditions, you are entitled to be reimbursed for reasonable fees and expenses related to a hearing before the State Board of Equalization if:

- You file a claim for the fees and expenses with the State Board of Control.
- The Board of Equalization determines that the action taken by Board staff members was unreasonable.
- The Board recommends to the State Board of Control an amount for reimbursement and the State Board of Control concurs.



You Have the Right to Be Notified of Our Actions

The Board may file a lien on any property you own if you do not pay your taxes. Except in the case of jeopardy determinations, the Board must mail to you a preliminary notice of filing of a lien at least 30 days before the lien is filed. In the notice we must indicate the:

- Specific statutory authority for filing or recording the lien.
- Earliest date on which the lien may be filed or recorded.
- Remedies available to you to prevent the filing or recording of such a lien.

If you do not comply with the law or if you are no longer actively engaged in business as a seller, the Board may revoke your seller's permit. You have the right to be notified by mail of this action at least 60 days prior to the date of such action.



You Have the Right to Redress

If the Board issues an erroneous levy against you, you have the right to file a claim with the Board for reimbursement of bank charges you incurred as a direct result of our action. You must file your claim within 90 days of the date of the levy, and the Board must respond within 30 days from the date the claim was received. For your claim to be granted, the Board must determine that:

- The erroneous levy was caused by the Board's error.
- Prior to the levy, you responded to all contacts by the Board and provided information and documentation to support your position.

If the Board files a lien in error on any property you own, the Board will:

- Mail a release to you and to the entity recording the lien as soon as possible but no later than seven days after the error is discovered and the recording information is received.
- Immediately issue a release of lien to you and the entity recording the lien if the lien is obstructing a lawful transaction.

Your Taxpayers' Rights Advocate

The State Board of Equalization wants to make dealing with us as easy as possible. Consequently, we have appointed a Taxpayers' Rights Advocate to help you with problems you cannot resolve at your local Board office.

Contact the Taxpayers' Rights Advocate at the State Board of Equalization, P.O. Box 942879, Sacramento, CA, 94279-0001; telephone 916-324-2798; FAX 916-323-3319.

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Board Member, District 2

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Board Member, District 3

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Board Member, District 4

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Santa Monica, CA 90401-1856
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State Controller

Kathleen Connell
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